

First Quarter 2008

23 April 2008



Financial Highlights – Profit and loss statement

<i>Figures in NOK million</i>	1Q 2008	1Q 2007
Revenues	791	794
<ul style="list-style-type: none"> • Collection Technology, Deposit Solutions • Material Handling • Industrial Processing Technology • Collection Technology, Non-Deposit Solutions 	372 199 195 25	372 243 163 16
Gross contribution	307	283
<i>Gross margin</i>	39%	36%
Operating expenses	224	210
Operating profit	83	73
<i>Operating margin</i>	10%	9%

Financial highlights - Balance sheet, cash flow and capital structure



Figures in NOK million

	31 March 2008	31 March 2007
ASSETS	2,768	2,953
• Intangible assets	696	764
• Leasing equipment	76	106
• Other fixed assets	531	621
• Inventory	519	511
• Short-term receivables	845	903
• Cash and cash equivalents	101	48
LIABILITIES AND EQUITY	2,768	2,953
• Equity	1,595	1,849
• Interestbearing liabilities	361	280
• Non-interestbearing liabilities	812	824

- **Cash flow from operations**

- 22 MNOK in 1Q 2008
- 30 MNOK in 1Q 2007

- **Cash flow from finance**

- 15 MNOK spent on share buy-backs in 1Q 2008
- 10.0 million shares bought and 0.3 million shares sold under current program obtained in December 2006. To be cancelled at annual general meeting in 2008
- The Board propose a dividend of NOK 0.45/share + a new 15 million share buy back program

*Collection Technology -
Deposit Solutions*



Collection Technology - Deposit Solutions Financials

<i>Figures in NOK million</i>	1Q 2008	1Q 2007
Revenues	372	372
• Nordic	158	111
• Central Europe & UK	150	182
• US East/Canada	64	79
Gross contribution <i>in %</i>	173 47%	160 43%
Operating expenses	113	103
Operating profit <i>in %</i>	60 16%	57 15%

Highlights Collection Technology - Deposit

Overall

- Gross margin improvement from 43% 1Q 2007 to 47% 1Q 2008
- Increase in operating expenses reflects ambition to bring new products faster to the market

Europe

- Strong revenue growth in Nordic, will decrease 2nd half due to strong Finnish performance 2nd half 2007
- Test installation of Panto (lottery) in Norway during April
- Awarded more than 70% of new machine installations in Germany with solid product performance
- Growth in Western European countries slowing down, while activities and contracts in Eastern Europe increase

US

- Revenue measured in NOK impacted negatively by 15% currency effect
- Increased activities within the legislative arena on state level with "recycling" as theme



Materials Handling



Materials Handling – Financials

Figures in NOK million

	1Q 2008	1Q 2007
Revenues	199	243
• US East/Canada	91	108
• US West (California)	108	135
Gross contribution in %	31 15%	42 17%
Operating expenses	25	29
Operating profit in %	6 3%	13 5%

- **Currency impact**
 - Minus 15% in first quarter 2008 compared to first quarter 2007

Materials Handling – Financials

Figures in million US\$

	1Q 2008	1Q 2007
Revenues	37.5	39.0
• US East/Canada	17.1	17.3
• US West (California)	20.4	21.7
Gross contribution in %	5.8 15%	6.7 17%
Operating expenses	4.7	4.6
Operating profit in %	1.1 3%	2.1 5%

Highlights Materials Handling

US East/Canada

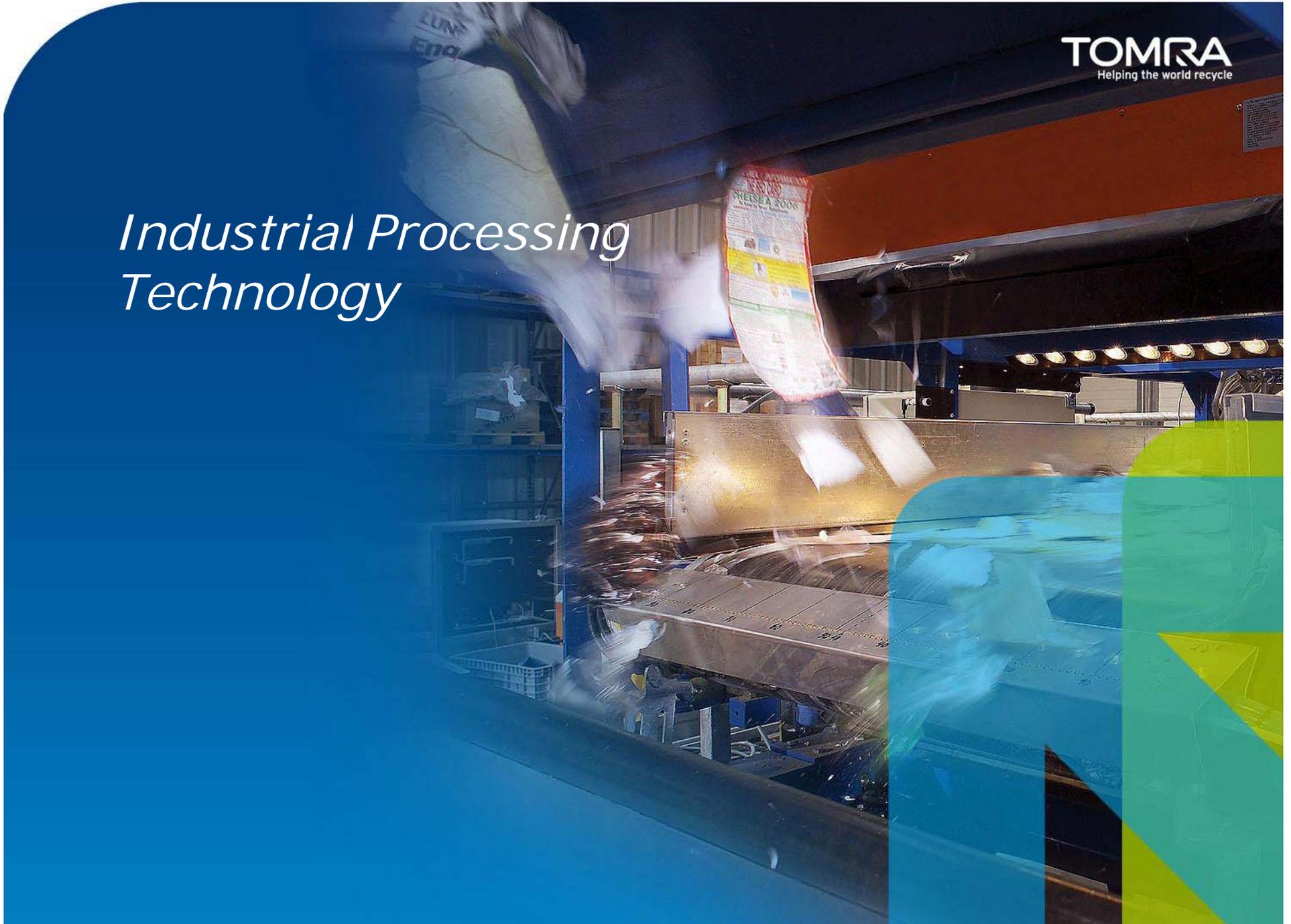
- Revenues down 1% from 17.3 MUSD to 17.1 MUSD
- Activities ongoing to transfer fuel increased cost to our customers

US West (California)

- Revenues down 6%, main reasons being aluminum prices and material mix in Jan/Feb (2-3 MNOK effect)
- Ambition to increase number of collection sites with 15% in 2008.
- Taken advantage of strong commodity prices in March and secured 2008 aluminum volumes at 2007 price levels
- Several operational actions taken to compensate fuel cost increase and improve efficiency



*Industrial Processing
Technology*





TiTech Group

Q1 presentation

Rune Marthinussen

April 2008



Innovation in Material Sorting

Companies in TiTech Group

Vision: The leading provider of sensor based material sorting systems

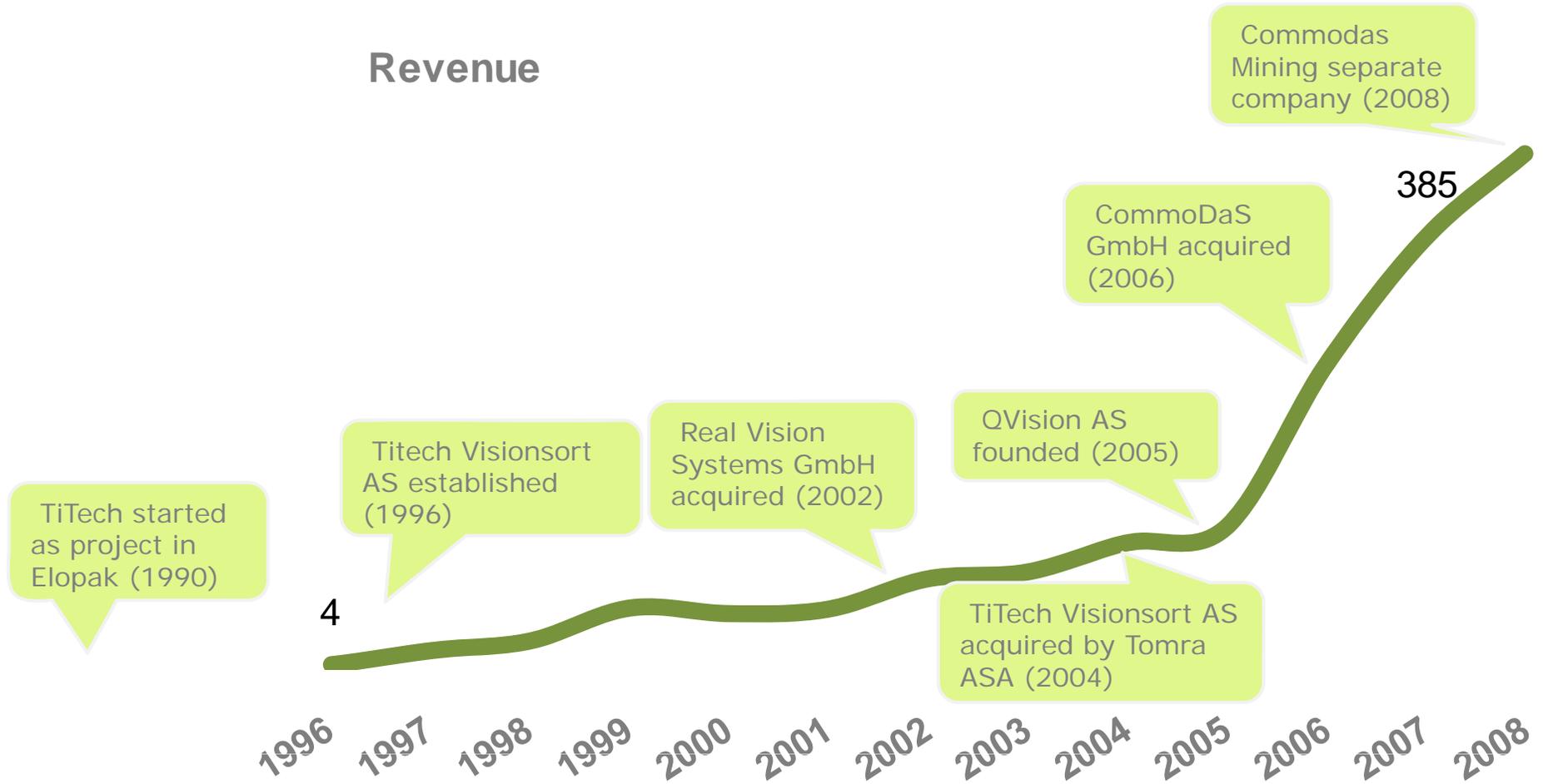
TITECH GROUP	
	
Industry	RECYCLING
Share of revenue	~90%
Material	Plastics, paper, metals etc.
Customers	Material recovery facilities, scrap dealers, metal shredder operators
	
	MINING
	~9%
	Minerals, gems, coal, metal slag etc.
	Mining companies
	
	FOOD
	~1%
	Fish, meat – dairy and poultry potential
	Food manufacturers

Note: Commodas is mining only

150 employees in 9 countries

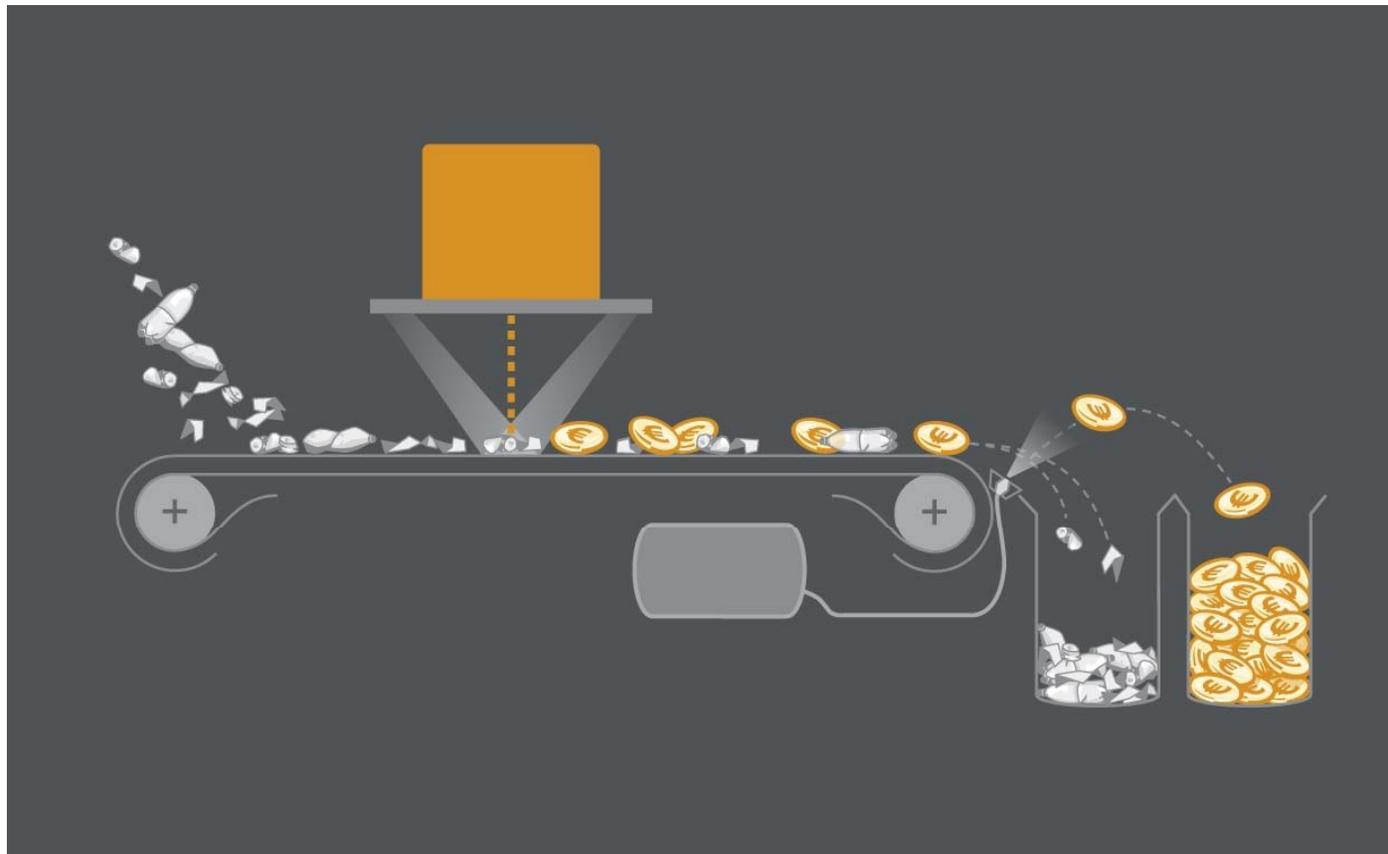
TiTech Group history

Revenue



The sorting principle

From waste to money: A wide range of high-tech sensors are utilised to **identify material** on a conveyor belt and **sort it out** by air jets



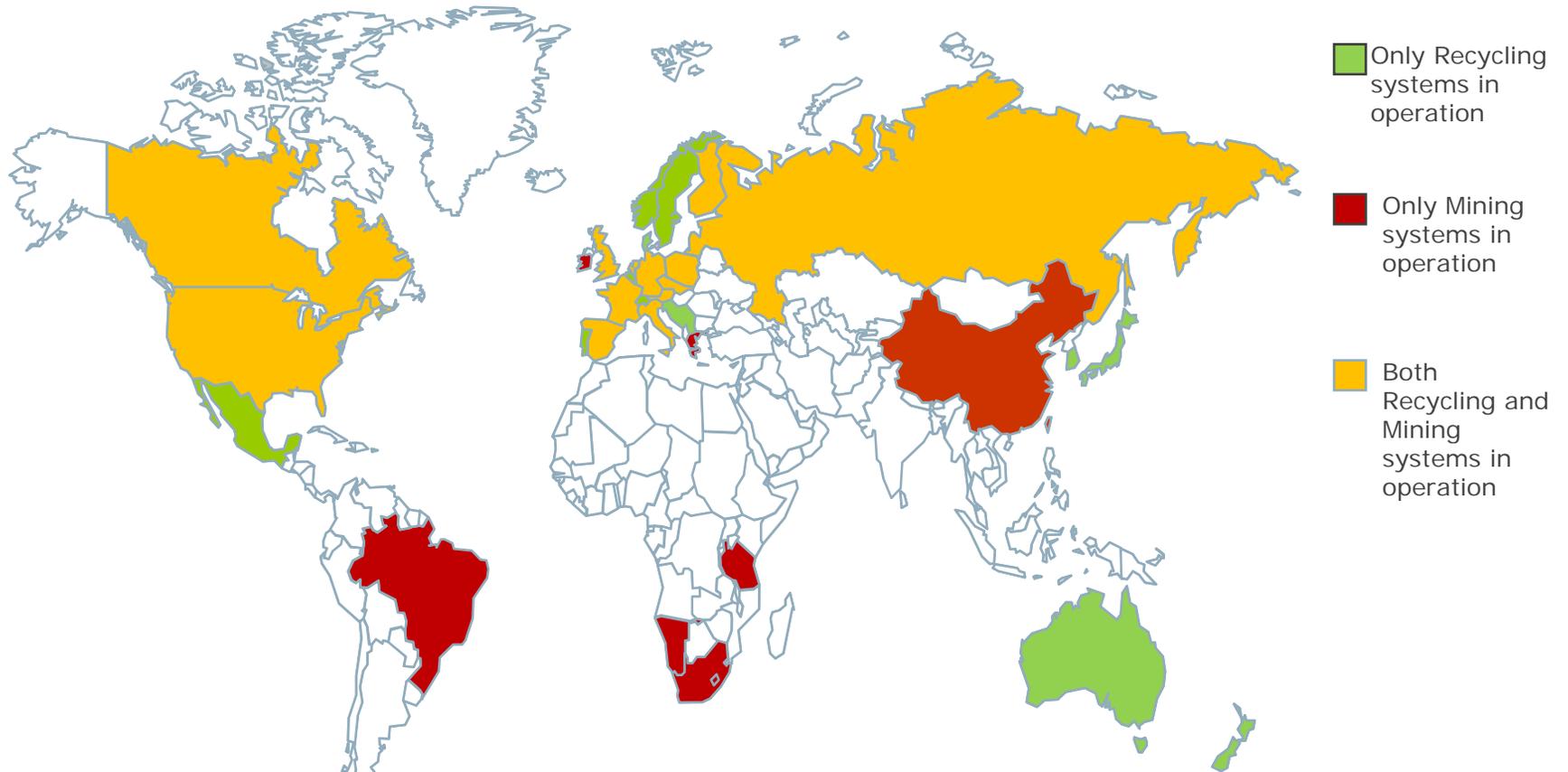
Wide ranges of sensor technologies

Sensor type	Machine example	Typical application
Metal Sensor	 TITECH FINDER	Sorting of metal vs. non-metal and stainless steel vs. other Nfe-metals
X-Ray (atomic density)	 TITECH X-TRACT	Sorting of aluminum from heavy metals
Colour CCD Camera	 TITECH COMBISENSE	Sorting of metals or circuit boards by colour
Near Infrared (NIR)	 TITECH POLYSORT	Sorting of polymers and fiber (paper/wood)
Visual (VIS)	 TITECH COLOURSORT	Sorting of polymers by colour, paper by grades
Image	 TITECH POLYSORT	Sorting of special objects, e.g. silicon cartridges

All core technologies are proprietary, protected with patents!

Installed base

More than 1700 units in 35 countries*



*Recycling: ~1650 machines
Mining: ~90 machines
Food: ~ 7 machines

Key market: Germany (~40% of installed base)
Other major markets: Italy, Spain, Japan, US

Global sales and service network



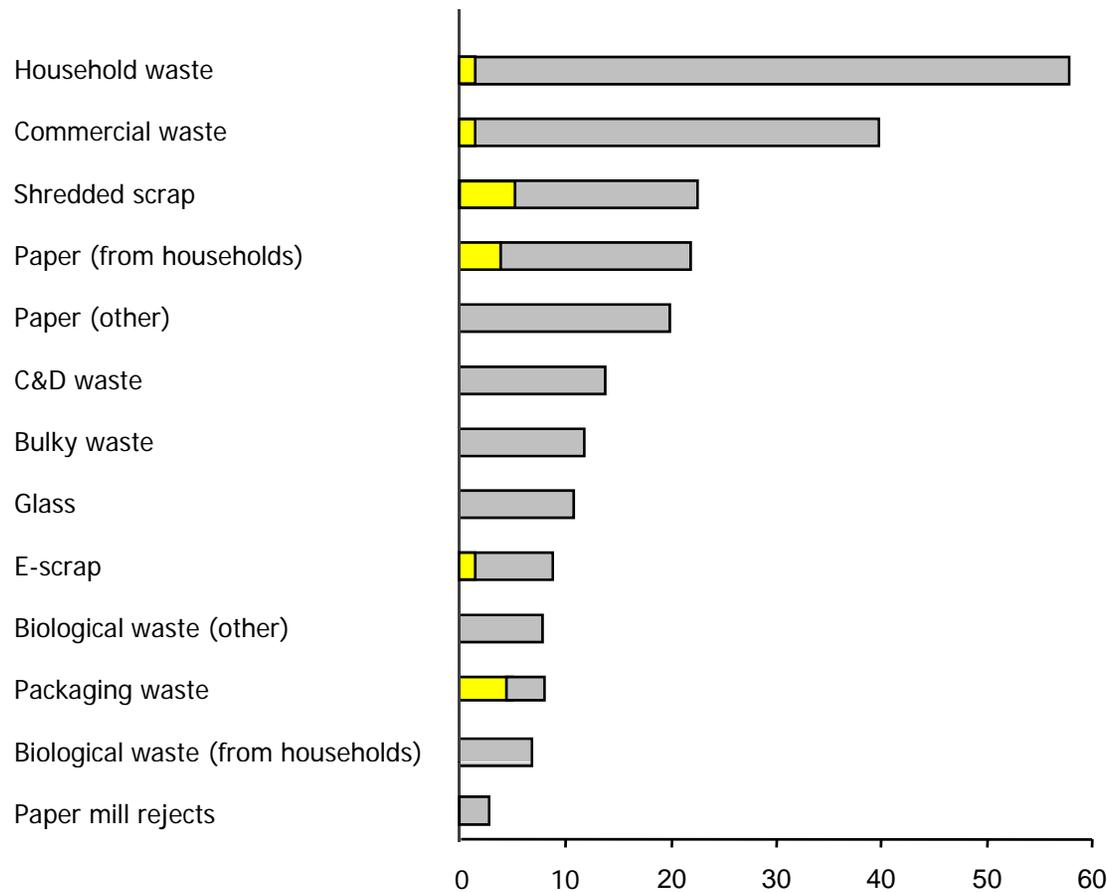
Service: HQ in Germany, 35 people in total,
1-2 per subsidiary, increasingly global

Significant untapped potential in Recycling

Waste generation Western Europe

Million tons

■ TITech Group today (illustrative)



- Low potential for optical sorting in some waste streams
- Not all tonnage is relevant for optical sorting
- Incineration is the main alternative for material recycling

Mining - Applications and technology

	Fuel/ Energy	Industrial minerals	Precious metals	Base metals	Gems	Metal slag and dumps
Commodity	<ul style="list-style-type: none"> • Coal 	<ul style="list-style-type: none"> • Limestone • Quarts • Feldspar • Calzite • Magnesite • Talcum 	<ul style="list-style-type: none"> • Gold • Platinum 	<ul style="list-style-type: none"> • Iron ore • Copper • Zink • Nickel • Wolfram 	<ul style="list-style-type: none"> • Diamonds • Other coloured gemstones 	<ul style="list-style-type: none"> • Stainless steel • Copper
Technology	X-Ray	Colour	Colour	X-Ray Colour Finder	Colour	X-Ray Colour



Mining - Key regions

- ~ 30.000 operating mines world-wide
- Currently niche applications
- Significant long-term potential

Canada/US

- Subsidiary in Toronto
- 3 installations

South America

- Served from HQ
- 2 installations

South Africa

- Subsidiary in Johannesburg
- 14 installations

Europe (HQ in Hamburg)

- Sales agreement with Mogensen
- 46 installations

Russia

- Served from HQ
- 2 installations



QVision - Using core technology in the food industry



- Seven scanners in five different applications in operation
 - Salted fish
 - Salmon fillets
 - Minced meat
 - Sliced pork meat
 - Crabs
- Measurements made
 - Water
 - Fat content
 - Colour
 - Pigment content
 - Meat index
- Unique technology, proven value propositions, large quantities

**→ PROMISING MARKET WITH
SIGNIFICANT POTENTIAL!**

Growth drivers



Positive macro trends

- Stricter legislation
- Higher landfill costs
- High recyclables prices

- High mineral prices
- Lower grade mines established

- Food quality
- Traceability

New applications

- Penetrate new segments

- Capitalize on strong value propositions

- Capitalize on strong value propositions

New markets

- Eastern Europe, China, India – timing

- Get presence in all major mining areas

- Focus on home market

New technology

- New product portfolio, new sensors

- Increase capacity

- Point measurement

More service

- Sell more service contracts

- Sell more service contracts

- Sell service contracts from the beginning

Organic growth: Significant growth expected
Acquisitions: Attractive opportunities will be pursued

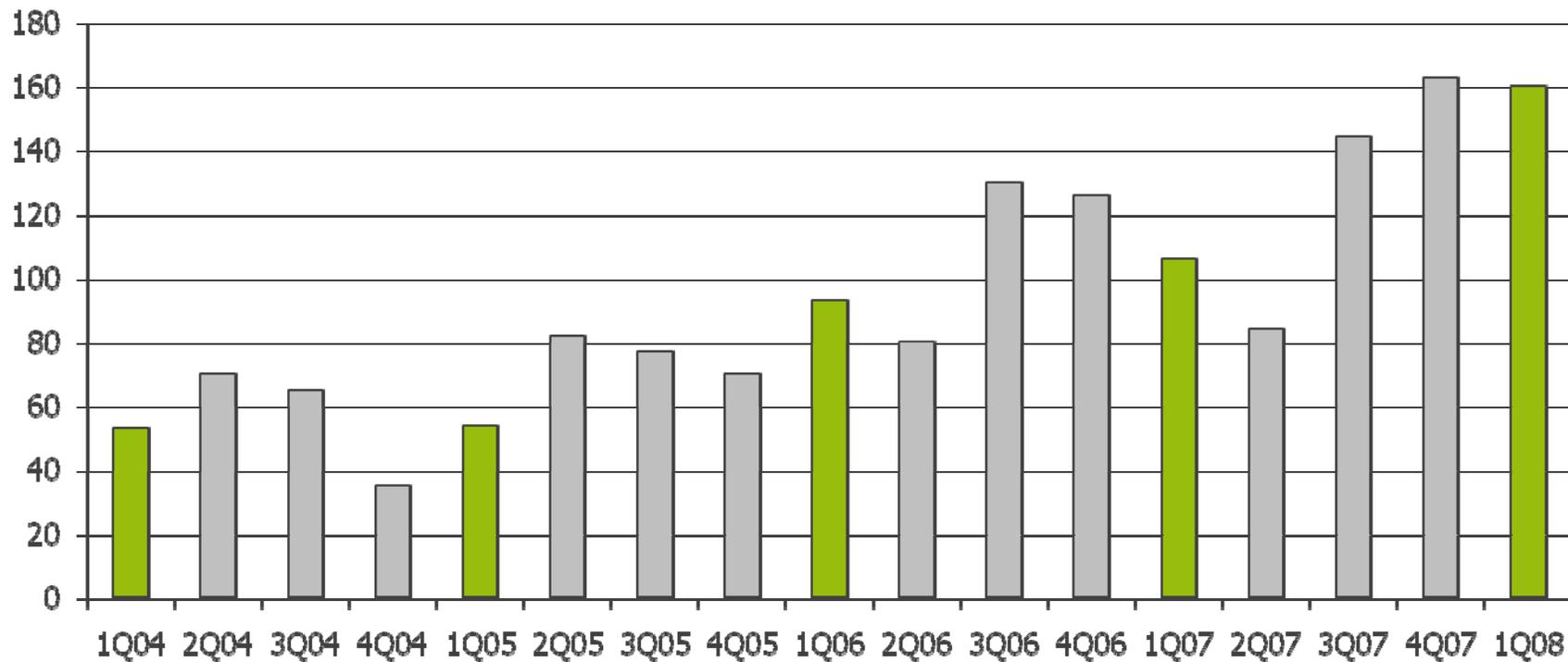
Industrial Processing Technology

- Financials

<i>Figures in NOK million</i>	1Q 2008	1Q 2007
Revenues	195	163
• Nordic	19	21
• Central Europe & UK	98	68
• Rest of Europe	27	42
• US/Canada	9	10
• US West	5	-
• Rest of World	37	22
Gross contribution <i>in %</i>	98 50%	84 52%
Operating expenses	61	53
Operating profit <i>in %</i>	37 19%	31 19%

Industrial Processing Technology - Order book

NOK million



Highlights Industrial Processing Technology

Recognition & sorting (Titech Group)

- Strong demand in recycling applications continues
- Continue to build organisation for sustainable future growth
- Increased focus on mining & food applications
- Solid order book by end of 1Q

Volume reduction (Orwak & Presona)

- Orwak with 21% organic revenue growth compared to 1Q last year and passed 10% operating margin
- Organic revenue growth of 52%, improved gross margin and reduced operating expenses give positive net operating profit in the quarter



Collection Technology - Non-deposit Solutions



Collection Technology Non-deposit Solutions - Financials

<i>Figures in NOK million</i>	1Q 2008	1Q 2007
Revenues	25	16
• Central Europe & UK	24	15
• Rest of World	1	1
Gross contribution in %	5 20%	(3) -
Operating expenses	21	21
Operating profit in %	(16) -	(24) -

Highlights Collection Technology – Non-deposit Solutions

Overall

- First quarter ever with positive gross contribution
- Continued high operating cost to invest in potential future growth

UK

- 45 ARC installed at the end of first quarter
- Modification and upgrade of centers currently taking place to increase capacity and reduce logistical costs

US

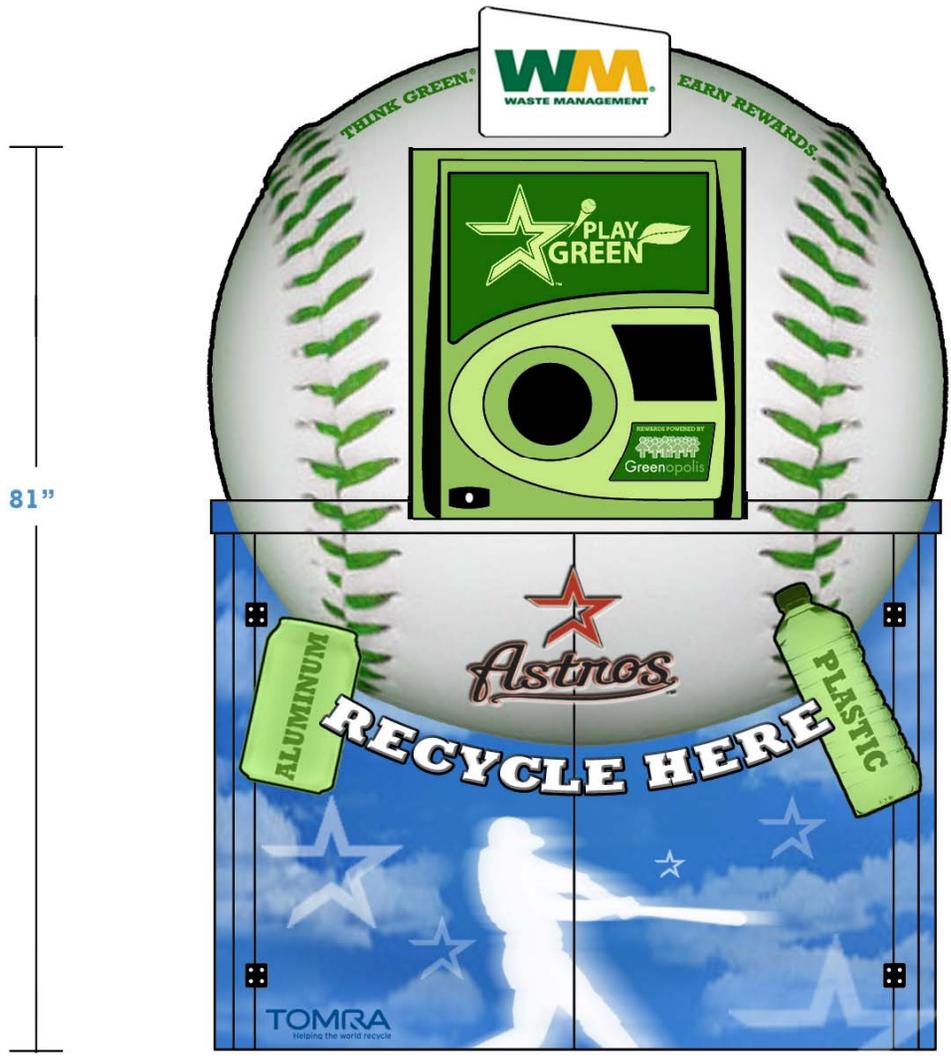
- In addition to Waste Management Inc's previously ordered 16 ARCs, traditional RVMs to be placed in non-deposit environments

Rest of Europe

- Installation of previous announced orders in Bulgaria and Italy to start in 2Q



WASTE MANAGEMENT RECYCLING UNIT - TUB



FRONT

62.75"



SIDE

39.75"

Waste Management and TOMRA ambition in US selected market

Centers

- Deployed at high-traffic retail locations (top 1-2 retailers in each markets)
- Form infrastructure backbone, generate significant recycling volumes and provide platform for green brand

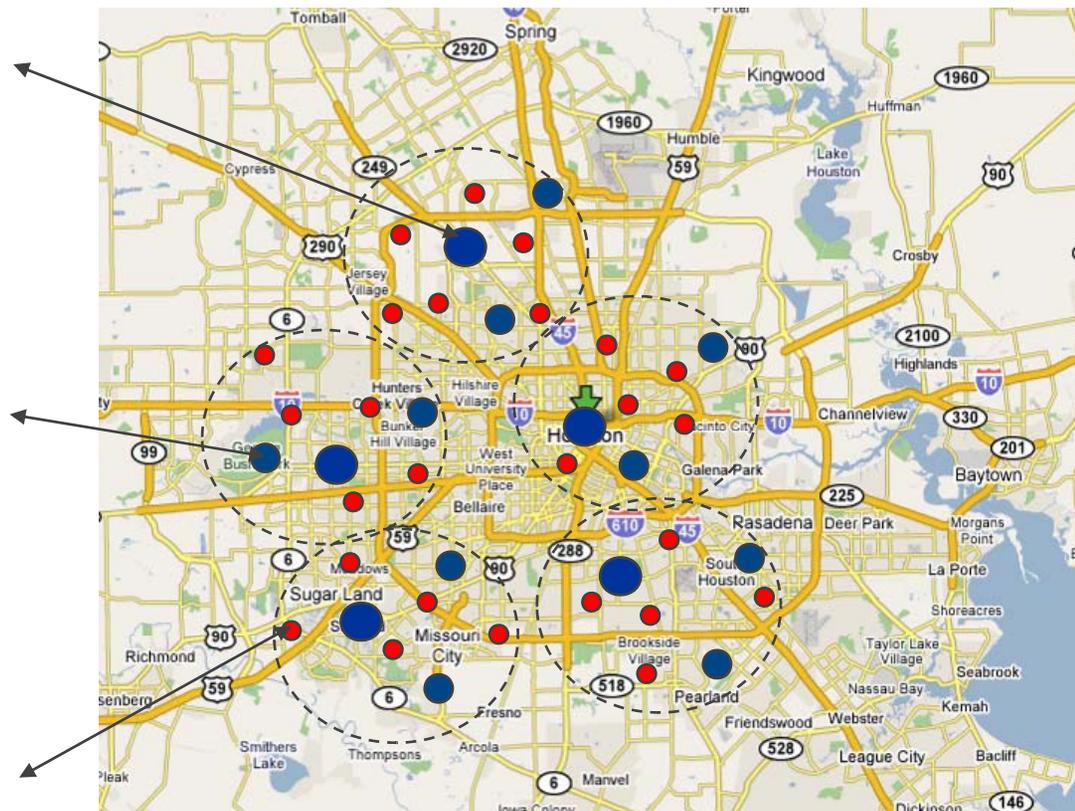
Kiosks

- Deployed at supermarkets, malls, public parks, sports arenas etc.
- Complement infrastructure (away from home consumption) and provide branding opportunities at high-visibility locations

Single units

- Deployed at vending locations, convenience stores, gas stations, theatres, office buildings etc.
- Complement the infrastructure, build awareness around brand's green image and stimulates consumer behavior

Illustrative example



Acceptance from stakeholders and consumers will decide growth rate

1Q Summary

- Continued strong momentum in Collection Technology - Deposit with improved margins
- Weak Jan/Feb start in Materials Handling on the year. 2Q will indicate potential slower growth pace and impact from actions taken
- Strong revenue and EBIT growth in IPT with solid order backlog into 2Q
- Technology and solutions proven, still a matter of what it takes to develop the markets in non-deposit



Adjusted for currency fluctuations organic revenue growth of 8% and EBIT growth of 20%



Supports long term growth ambitions of >10% organic revenue growth and 15 - 25% EBIT growth, adjusted for currency effects in 2008

Addendum slides



Addendum slide - Major shareholders

1	Orkla ASA	23 953 000	14,5%
2	Folketrygdfondet	13 037 900	7.9%
3	Tomra Systems ASA	9 670 139	5.9%
4	The Northern Trust C Treaty Account	8 758 831	5.3%
5	State Street Bank AN A/C Client Omnibus D	8 733 669	5.3%
6	Clearstream Banking CID Dept, Frankfurt	5 413 130	3.3%
7	FERD AS P610AK	2 900 000	1.8%
8	JP Morgan Chase Bank Clients Treaty Account	2 677 822	1.6%
9	Verdipapirfondet KLP	2 400 000	1.5%
10	Skagen Vekst	2 057 500	1.2%
	SUB-TOTAL	79 601 991	48.3%
	Other shareholders	85 088 226	51.7%
	TOTAL (9,394 shareholders)	164 690 217	100%
	Total foreign ownership	75 197 311	45.7%

Addendum slide - Shareholders by nationality

1	Norway	54.3%	8 646
2	Great Britain	14.8%	81
3	USA	9.5%	164
4	Luxembourg	5.1%	34
5	Sweden	3.0%	93
6	Denmark	2.4%	48
7	Italy	2.2%	18
8	France	2.1%	22
9	Finland	1.1%	21
10	Ireland	0.9%	14
	TOTAL	95.4%	9 141